

House Bill 328

By: Representatives Bruce of the 64th, Willard of the 49th, Fludd of the 66th, Jones of the 46th, Mosby of the 90th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-5-48.2 of the Official Code of Georgia Annotated, relating to the
2 authority of local governments to provide a freeport exemption from ad valorem taxation for
3 certain inventories of finished goods and goods in the process of manufacture, so as to
4 provide that under certain circumstances, when a new municipal corporation is chartered by
5 local Act, the voters of the new municipal corporation shall determine whether to authorize
6 a freeport exemption; to provide for implementation of the exemption if authorized; to
7 provide for related matters; to amend Chapter 31 of Title 36 of the Official Code of Georgia
8 Annotated, relating to incorporation of new cities, so as to provide for a conforming
9 reference; to provide for an effective date and applicability; to repeal conflicting laws; and
10 for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 **SECTION 1.**

13 Code Section 48-5-48.2 of the Official Code of Georgia Annotated, relating to the authority
14 of local governments to provide a freeport exemption from ad valorem taxation for certain
15 inventories of finished goods and goods in the process of manufacture, is amended by adding
16 a new subsection (c.1) to read as follows:

17 "(c.1)(1) This subsection (c.1) shall apply when:

18 (A) A local Act is passed by the General Assembly to incorporate a new municipal
19 corporation;

20 (B) The new municipal corporation is located in a county which grants one or more
21 exemptions under this Code section; and

22 (C) The creation or functioning of the new municipal corporation is, pursuant to the
23 local Act, contingent upon approval by the voters of the new municipal corporation.

24 (2) At the same referendum election at which the creation or functioning of the new
25 municipal corporation is submitted to the voters, there shall also be submitted to the
26 voters the question of whether to authorize the governing authority of the new municipal

1 corporation to grant one or more exemptions under this Code section. The referendum
2 ballot shall specify as separate questions the type or types of property with respect to
3 which the county grants exemptions.

4 (3) If more than one-half of the votes cast on such question are in favor of such
5 exemption, then such exemption may be granted by the municipal governing authority
6 when it comes into existence. Notwithstanding the provisions of subsection (e) of this
7 Code section, when an exemption is authorized to be granted under this subsection (c.1),
8 the municipal governing authority may make the exemption effective as of January 1 of
9 the year in which the governing authority acts or any future year."

10 **SECTION 2.**

11 Chapter 31 of Title 36 of the Official Code of Georgia Annotated, relating to incorporation
12 of new cities, is amended by adding a new Code section to read as follows:

13 "36-31-13.

14 When a municipal corporation is created by local Act as authorized in this chapter and the
15 creation or functioning of the new municipal corporation is contingent upon referendum
16 approval, there shall at the same referendum election be submitted to the voters the
17 authorization of a freeport exemption, if such submission is required under subsection (c.1)
18 of Code Section 48-5-48.2."

19 **SECTION 3.**

20 This Act shall become effective upon its approval by the Governor or upon its becoming law
21 without such approval and shall apply with respect to any incorporation submitted to the
22 voters more than 30 days after said effective date.

23 **SECTION 4.**

24 All laws and parts of laws in conflict with this Act are repealed.